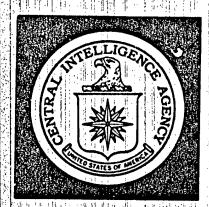
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DIRECTORATE OF INTELLIGENCE

Intelligence Memorandum

SIGNS OF LIFE IN CHINESE FOREIGN POLICY

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INTELLIGENCE MEMORANDUM

Signs of Life in Chinese Foreign Policy

Peking's decision around the turn of the year to enter into negotiations with its two major enemies, the USSR and the US, has been accompanied by a general renaissance of Chinese diplomatic activity.

Most notably the Chinese have demonstrated a relatively open attitude toward improving diplomatic relations with several states formerly estranged from China-a development first apparent last October when Peking began a special effort to patch up its strained relations with North Vietnam and North Korea. Since that time, the Chinese have signaled other attempts to broaden their diplomatic appeal and have even shown a willingness to consider modifying China's bitter opposition to the Ne Win regime in Burma.

These signs of new vigor remain tentative and may represent little more than a belated return from the Red Guard diplomacy of 1966-1967 to normal diplomatic activity. Seen within the barren context of Chinese foreign policy during the past three years, however, they may signal the beginning of a new, if still unclear, period in Chinese foreign policy.

Note: This memorandum was produced solely by CIA. It was prepared by the Office of Current Intelligence. The Office of National Estimates was consulted in the drafting and is in general agreement with the findings.

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Peking's New Approach

- Peking has predictably focused much of its new-found diplomatic energy in neighboring Asian countries where Chinese influence and interests are most pronounced. Top priority seems to have been given to repairing Peking's relations with Hanoi, which had been strained since the start of the Paris talks in 1968. Following Chou En-lai's attendance at Ho Chi Minh's funeral last September and a series of high-level mestings with Vietnamese Communist officials during China's National Day ceremonies the following month, Peking altered its previously implacable opposition to Hanoi's participation at the Paris peace talks and for the first time acknowledged the Vietnamese Communists 10-point peace plan. Although differences between Peking and Hanoi over war policy remain, at least the facade of Sino-Vietnam unity has been refurbished.
- 2. At the same time, the Chinese were turning to their other estranged Communist neighbor, North Korea. A thaw first became noticeable last October when Pyongyang sent a high-level delegation to attend China's National Day celebrations. Peking's appointment of a new ambassador to Pyongyang in March 1970 and the widely touted visit of Chou En-lai there this month exemplify the marked improvement in relations that has developed within the past six months.
- 3. In another interesting change of form, the Chinese for the first time in over a year appear to be showing some signs of interest in improving relations with Burma. Following a conciliatory speech by President Ne Win and the release of 27 overseas Chinese detainees by Rangoon last November, the Chinese Embassy in Rangoon invited high-ranking Burmese authorities to an official dinner. This was followed up in December by an unusually friendly chat between the Burmese chargé in Peking and a Chinese vice foreign minister. The Chinese official expressed hope for improved relations between the Chinese and Burmese "people"—language seldom heard

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since Sino-Burmese relations deteriorated in the summer of 1967. Since then Chinese propaganda has generally avoided its customary provocative blasts against the "Fascist Ne Win clique," and in early January the Chinese for the first time in three years publicly reported in Peking Burma's National Day celebrations.

- 4. China's recent efforts in Asia have extended as far as Ceylon. Although Peking continues to feature pro-Peking Ceylon Communist Party statements (presumably for their anti-Soviet overtones), the Chinese early last February publicly called attention to Ceylon's National Day for the first time in three years. As a more tangible evidence of improved bilateral relations, a few days later Peking announced that it would build a cottonspinning mill in Ceylon--China's first new project there since 1966.
- 5. The new look in Chinese diplomacy has by no means been limited to Asia. In recent months Peking has demonstrated increasing flexibility and initiative elsewhere -- especially in areas where the Chinese judge there is profit to be made at Soviet; expense. A good example was Chou En-lai's public letter of support to President Nasir following Is-raeli air attacks on a civilian Egyptian factory This was the first major Chinese last February. propaganda support of an Arab government (as distinguished from Arab "people" and the Fedayeen) since the six-day war in 1967. Although Chinese efforts to play on Egyptian-Soviet differences are not likely to get far, Chou's letter and subsequent Chinese propaganda in support of the Arabs has helped improve Peking's tarnished image among the Arab governments.
- terest in Eastern Europe--another sensitive area of Soviet policy. Peking early this year showed some nimble footwork by harshly condemning Soviet West German contacts at East German expense. Chinese maneuvering in Eastern Europe has even extended to Bulgaria--a state the Chinese rightly consider to

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be the number-one sycophant of Soviet "revisionism."

The Soviet Catalyst

- 7. These signs of new life in Chinese diplomacy have been long in coming. Since the fall of 1967, when Red Guard extremists were dislodged from their positions of authority in the Foreign Ministry, China watchers have predicted and awaited a clearcut trend toward a more positive Chinese diplomatic approach. During 1968 and early 1969, there were indications of movement toward more normal diplomatic practices, but progress was slow, halting, and suffered many false starts. Chinese ethnocentrism, bitterness over past diplomatic failures, and Maoist ideologyfactors that have always hindered positive Chinese diplomacy-became overriding constraints in Peking's politically charged atmosphere. As a result, most Chinese diplomatic action remained confined to a small handful of states that in general were ideologically acceptable to Peking and were willing to retain good relations with China despite the disruptions of the Cultural Revolution.
- 8. During the spring and summer of 1969, however, the increasingly menacing Soviet military
 buildup in the Far East and the deteriorating military
 situation along the Sino-Soviet border brought into
 focus for the Chinese leadership the full extent of
 China's domestic weakness and international isolation and triggered a sharp change in Peking's approach to foreign affairs. The Soviet threat,
 aside from forcing Peking to the conference table
 with the USSR, prompted China to assign a far
 greater priority to improving its diplomatic position vis-a-vis Moscow--in short, to resume the
 diplomatic offensive.

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Peking's rationale and motivation were dis closed in a secret directive sent out last November by Premier Chou En-lai that, in part, called for a more flexible stance in Chinese diplomacy in order to protect China's international position against Moscow. Chou implied, for example, that Peking would agree to resume talks with the US in Warsaw so as to keep the Soviets off balance and deflect the Russian threat against China. He added that the Chinese would follow "flexible tactics" abroad in order to set Moscow and Washington against one another and to increase China's international influence. Chou also strongly implied, however, that Peking intended to make no substantive change in its foreign policy, that it would continue firmly to uphold longstanding "revolutionary principles" while developing a limited flexible approach abroad.

Where is Chinese Diplomacy Going?

- 10. The key question, of course, is how far China will go in its new approach. Will the still tentative Chinese foreign initiatives remain only tactical reactions or will they develop enough momentum of their own to propel China into a new "Bandung period" of foreign affairs? Can, in other words, Peking muster up the pragmatism, tolerance, and conscious effort required fully to re-enter the mainstream of international diplomacy? This will depend heavily on Peking's perception of the Soviet threat.
- could quickly deflate China's current diplomatic activism. To date, however, neither side has shown itself ready to meet the other's demands at the long-stalled Sino-Soviet border talks. On balance, the continuing buildup of Soviet military along the Chinese border, together with continuing efforts by Moscow to isolate China diplomatically, should provide Peking with all the incentive it needs to continue the development of more normal diplomatic activity. Regardless of the degree of Soviet pressure, however, China's diplomacy still faces Maoist

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ideology and kindred domestic political unrestobstacles that have stymied China's foreign relations for the past several years.

North Korea's continued cordial ties with the USSR and Pyongyang's well-publicized ideological independence from both Moscow and Peking, for example, probably were instrumental in blocking a more rapid reconciliation in Sino-Korean relations last year. Past disputes and outstanding bilateral disagreements will also hinder improved Chinese relations with a number of other states. Concessions by Peking that could improve its relations with Burma, for instance, will no doubt be impeded by China's continued bitterness over Burma's support for the anti-Chinese riots in Rangoon in 1967.

- 13. Another constraint to Chinese diplomatic flexibility is the sheer weight of more pressing problems that the Peking leadership faces. Crucial negotiations with the USSR and the US, together with important domestic programs such as the "war preparations" campaign, party rebuilding, and economic and administrative recovery, almost certainly will continue to preoccupy Peking. Moreover, Peking appears to have a shortage of politically acceptable personnel trained in foreign affairs and available for duty on diplomatic assignments. Ideological and political requirements involving extensive labor and political re-indoctrination sessions for many foreign ministry professionals and experienced diplomats will probably result in significant gaps in China's future attention to foreign affairs.
- by what seems to be continuing disagreement and dissatisfaction in Peking over China's current foreign line. In the past, the more radical, ideologically doctrinaire members of the leadership, fearing that China's revolutionary credentials might be put in jeopardy, have opposed significant accommodation and flexibility in Chinese foreign policy. This opposition may have again surfaced last

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fall when Peking was grappling with initiatives from both the USSR and the US to engage in negotiations. A wave of broadcasts, ostensibly focusing on cultural criticism, seemed, in fact, to be oblique expressions of dissatisfaction with China's new flexible approach toward Moscow and Washington. In addition,

reported last January that wall posters had appeared threatening to "strike down" anyone opposing Chou En-lai--another possible indication that Chou's apparent strong role in China's current dealings with the Soviets and the US in particular and foreign affairs in general raised hackles within the leadership and necessitated this blatant sign of support.

- 打掛掛 有引起的 In the face of Peking's overriding concern over the Soviet threat, however, the effect of these political and ideological constraints would probably be no more than to slow down or perhaps halt temporarily the current trend of Chinese diplomacy. fact, the relative success that Peking has achieved with its new diplomatic approach over the past six months may prod the Chinese toward even more extensive diplomatic initiatives abroad. Peking is certainly aware that its current diplomatic achievement stands in favorable contrast to China's isolated position when it was faced with the possibility of a disastrous war last summer. The Chinese have managed in this period to forestall Soviet military pressure, improve their relations with the US and key neighboring states, and even compromise differences in the long-stalled recognition negotiations with Canada. The Canadian talks could eventually trigger a significant movement toward recognition of China by a number of Western states, and perhaps result in a reversal of China's fortunes in the UN.
- 16. Nevertheless, any prolonged Chinese diplomatic offensive similar to Peking's outgoing international movement in the mid 1950s, will remain at best only one of many long-range future possibilities. The past three years of internal turmoil during the Cultural Revolution have significantly weakened China's domestic cohesion, increased Peking's basic feeling of weakness in influencing

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international affairs, and, most importantly, have accentuated the traditionally reactive nature of Chinese foreign policy. As a result, Chinese diplomacy over the long term will probably not be based on well-planned initiatives developed by Peking but will remain responsive to circumstances determined by external factors--including Soviet and US intentions toward China, the emerging balance of power in East and Southeast Asia-- and a possible change in Chinese leadership when Mao, now 76 and in uncertain health, leaves the scene. In short, although Peking's diplomatic focus against Soviet pressure is clear for now, Chinese foreign policy is essentially built on a house of cards that could tumble or shift significantly over the next few years. A substantial alteration in Peking's present foreign approach could, therefore, result.